ALAN M. ARAKAWA Mayor

WILLIAM R. SPENCE Director

MICHELE CHOUTEAU McLEAN
Deputy Director



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COUNTY OF MAUI

OFFICE OF THE MAYOR

DEPARTMENT OF PLANNING

June 26, 2018

Honorable Alan M. Arakawa Mayor, County of Maui 200 South High Street Wailuku, Hawaii 96793

For Transmittal to:

Honorable Robert Carroll, Chair and Members of the Land Use Committee 200 South High Street Wailuku, Hawaii 96793 Clar Chilon 6/20/108

Dear Chair Carroll:

SUBJECT:

RESOLUTION 17-74, TITLED "REFERRING TO AMEND THE COMPREHENSIVE ZONING ORDINANCE RELATING TO SHORT TERM RENTAL HOMES ON MOLOKAI"

The Department of Planning (Department) is in receipt of your letter dated June 4, 2018, regarding the role of the Molokai Community Plan in the Short-Term Rental Home ("STRH") permit approval process.

Question #1, as stated in your letter, "the Molokai Community Plan Advisory Committee recommended a policy be incorporated to establish a cap on the number of transient vacation rentals before the Molokai Planning Commission." An explanation of their implementation will affect the proliferation or non-proliferation of transient vacation rentals (TVR) on Molokai, the Department response is as follows:

According to the updated Molokai Community Plan revised bill dated June 6, 2018 located on table 6.3 of Housing Actions, 6.206 is to establish a cap on transient vacation rentals and short term rental homes (STRH). The proposed bill will establish a cap on TVRs and STRHs, therefore, will support the nonproliferation of TVRs and STRHs.

Question #2, as stated in your letter, "there may be additional policy recommendations specific to the East and West Ends pertaining to transient vacation rentals, and some may be conflicting." An explanation of their implementation will affect the proliferation or non-proliferation of transient vacation rentals on Molokai, the Department response is as follows:

Chapter 10.3 East End, Goal: A vibrant economy that is compatible with community members' skills and supports the traditional lifestyle and rural character of Mana'e.

X

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Chapter 10.2 East End, Policy 21, Protect area from tourist-related accommodations or businesses that change the social infrastructure of the area.

Chapter 11.3 West End, Goal, A vibrant economy that is compatible with community members' skills and supports the traditional lifestyle and rural character of West End, especially the Kaluakoi Resort and the Lodge and Maunaloa.

Chapter 11.3 West End, Policy 1, Support economic development that fits with the rural character of West End.

There are two common threads between the different goals and policies and they are not necessarily exclusive of the other. First is the maintenance and preservation of the rural lifestyles of the east and west ends. The second common element is to promote an economy that is compatible with that lifestyle. Opinions strongly differ if TVRs and STRHs can fit into the rural lifestyle at all, but certainly no cap at all provides little protection and is therefore contrary to all of these goals and policies. Setting limitations on the number of permits available does provide a layer of protection of the lifestyle while allowing some economic benefit.

Question #3, as stated in your letter, "Please provide the maps and indicate whether the properties are in the East End, West End, or Central area. Please also indicate the distances between STRH-permitted properties that are in close proximity to one another." The Department's response is as follows:

Please refer to Exhibit 1 which provides maps showing the locations of the permitted and pending STRH permits on the East End, West End, and Central area. The maps also depict the distances between STRH-permitted properties that are in close proximity to one another:

West Molokai: located in the Papohaku Ranchlands Subdivision Ho'omaka Hou STMO 2015/0005, adjoining properties Manahale Estates STMO 2017/0004, adjoining properties Hale Puu Koae STMO 2017/0003, adjoining properties

Central Molokai: located in Kamililoa Kimo's Hale STMO 2015/0002 Fishpond Cottages STMO 2017/0004, located on a condominiumized parcel Hale O Ke Kai STMO 2017/0005, located on a condominiumized parcel

Pending: Cozy Cottages STMO T2017/0015, located on a condominiumized parcel

East Molokai

Puko'o

Kainehe STMO 2016/0002, 307 feet (ft.) from STMO T2016/0007 lot line Pukoo Plantation STMO 2017/0001, adjoining STMO T2016/0007 Villas at Pukoo STMO 2017/0008, 370 ft. from STMO T2016/007 lot line

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Renewal: Kupeke Beach House STMO 2013/0009 is outside of the five-hundred-foot radius

Pending: Pukoo Polynesia STMO T2016/0007

Waialua

L&M Yuknis STMO 2013/0004, 600 ft. away from STMO T2017/0009 Lanikai STMO 2016/0001, 33 ft. from STMO 2014/0001 and 110 ft. away from STMO T2017/0009 Aloha Ho'okipa STMO 2014/0001, 33 ft. away from STMO 2016/0001

Pending: Hale Waialua STMO T2017/0009, 110 ft. away from STMO 2016/0001 and 600 ft. from STMO 2013/0004

Question #4, as stated in your letter, "How many STRH-permitted properties are located in Mana'e, Molokai; and are there any permit applications pending your approval in that area?"

Please refer to Exhibit 2 which provides a map of all the STRH-permitted and pending properties located in Mana'e, Molokai.

Question #5, as stated in your letter, "When were the STRH permit application, currently pending before your Department, submitted? The Department's response is as follows:

Central Area

STMO T2017/0015, Cozy Cottage STMO submitted on November 22, 2017

East End Area

STMO T2017/0009, Hale Waialua submitted on May 8, 2017 STMO T2016/0007, Puko'o Polynesian submitted on December 14, 2016

Thank you for your attention to this matter. Should you have any questions, please feel free to transmit them to the Department of Planning via transmittal through the Office of the Mayor.

Sincerely,

WILLIAM SPENCE Planning Director

Attachmente

xc: Clayton I. Yoshida, Planning Program Administrator David Raatz, Administrative Planning Officer

Sybil K Lopez, Molokai Planner

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PERMITTED

SHORT TERM RENTAL ON MOLOKAI





CENTRAL MOLOKAI

- 1. MOTHER OCEAN
- 2. AALA
- 3. HAPPY HOUSE
- 4. KIMO HALE
- 5. HALE HIAMOE
- 6. MOLOKAI FISHPOND COTTAGES
- 7. HALE O KE KAI

PENDING

COZY COTTAGES

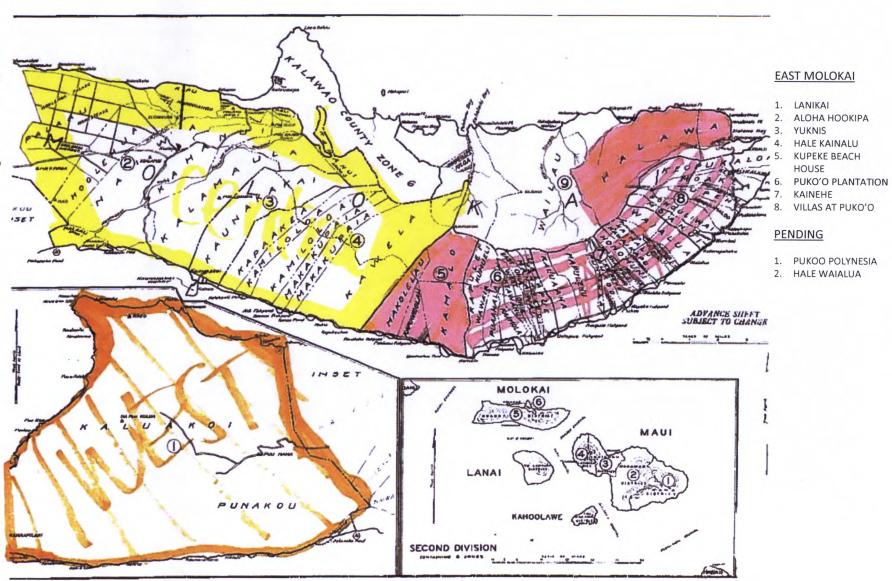
PERMITTED B&B

- 1. KAHAKAI HALE
- 2. KA HALE MALA

WEST MOLOKAI

- 1. HO'OMAKA HOU
- 2. HALE PUU KOAE
- 3. PAPOHAKU BEACH HOUSE
- 4. MANAHALE

TVR



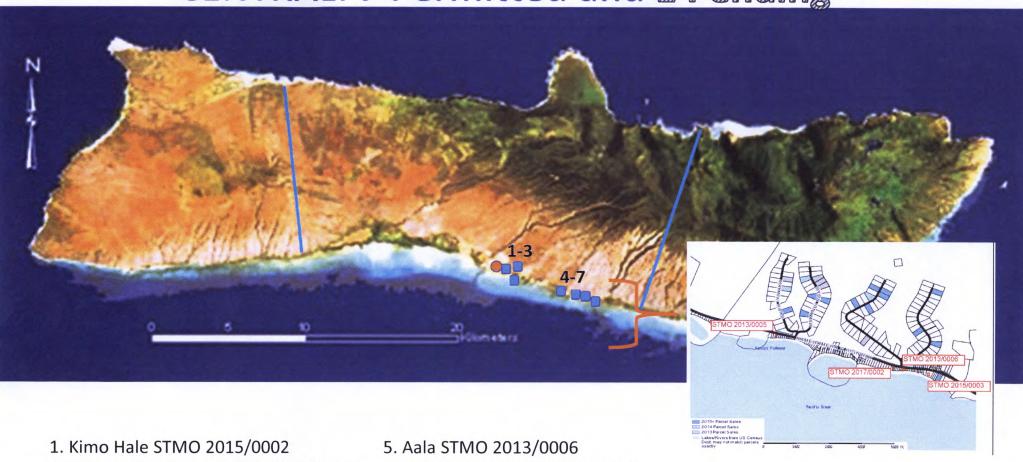


Permitted STRH in State Agricultural District

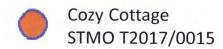
- Hoomaka Hou STRH STMO 2015/0005
- Papohaku Beach House STMO 2017/0006
- Hale Puu Koae STMO 2017/0003
- Manahale Estates STMO T2017/0004

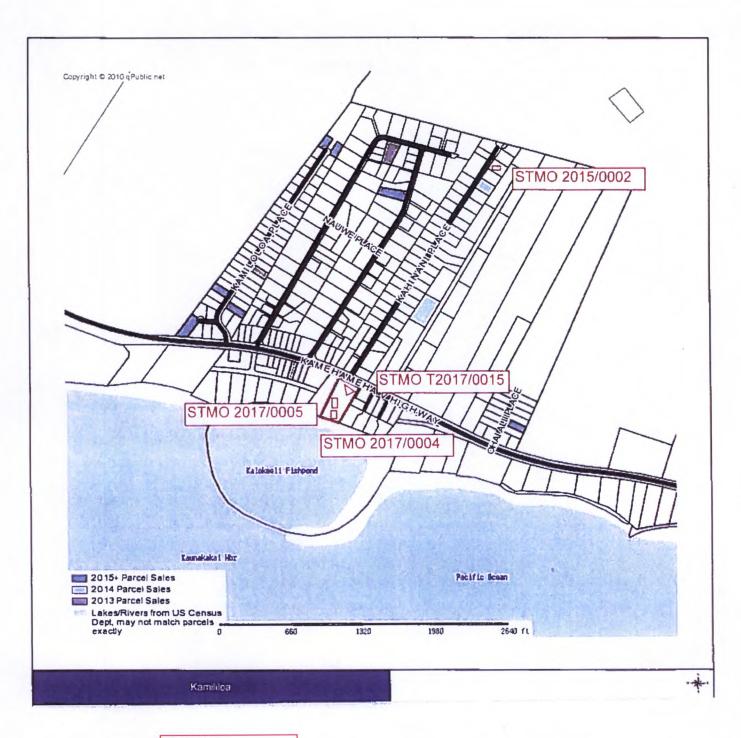


CENTRAL: 7 Permitted and 1 Pending



- 2. Fishpond Cottages STMO 2017/0004
- 3. Hale O Ke Kai STMO 2017/0005
- 4. Happy House STMO 2013/0005
- 6. Hale Hiamoe STMO 2017/0002
- 7. Mother Ocean STMO 2015/0003

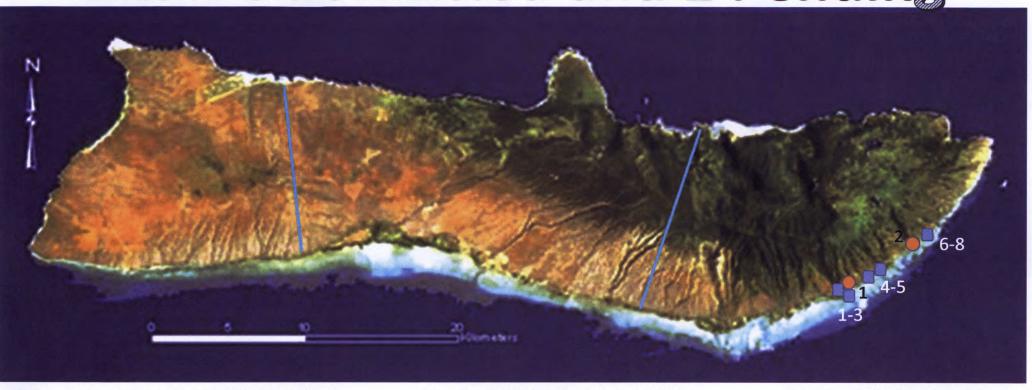




LEGEND

PERMITTED STRH
PENDING STRH
RENEWAL STRH

EAST: 8 Permitted and 2 Pending

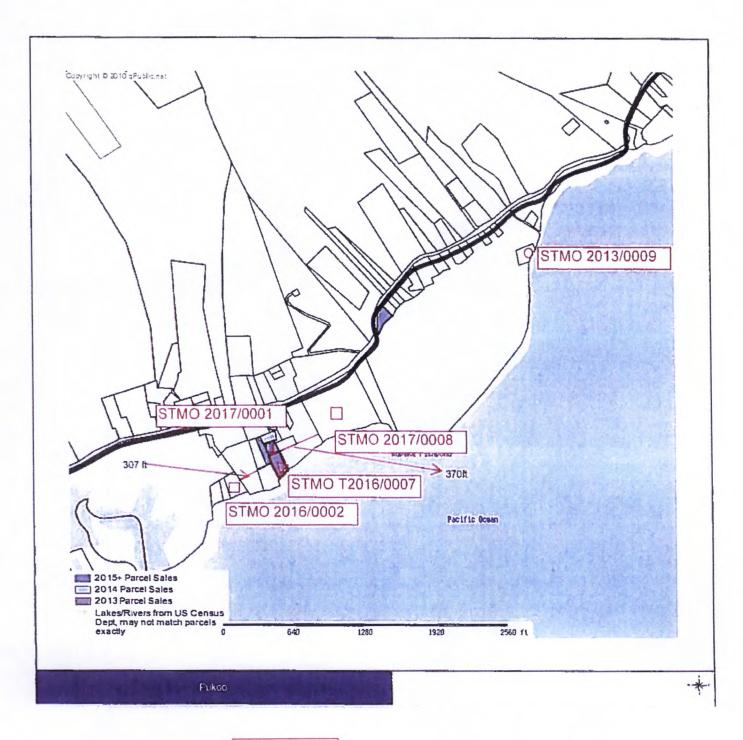


- 1. Pukoo Plantation STMO 2017/0001
- 2. Kainehe STMO 2016/0002
- 3. Villas at Pukoo STMO 2017/0008
- 4. Kupeke Beach House STMO 2013/0009
- 5. Hale Kainalu STMO 2015/0004

- 6. L&M Yuknis STMO 2013/0004
- 7. Aloha Ho'okipa STMO 2014/0001
- 8. Lanikai STMO 2016/0001



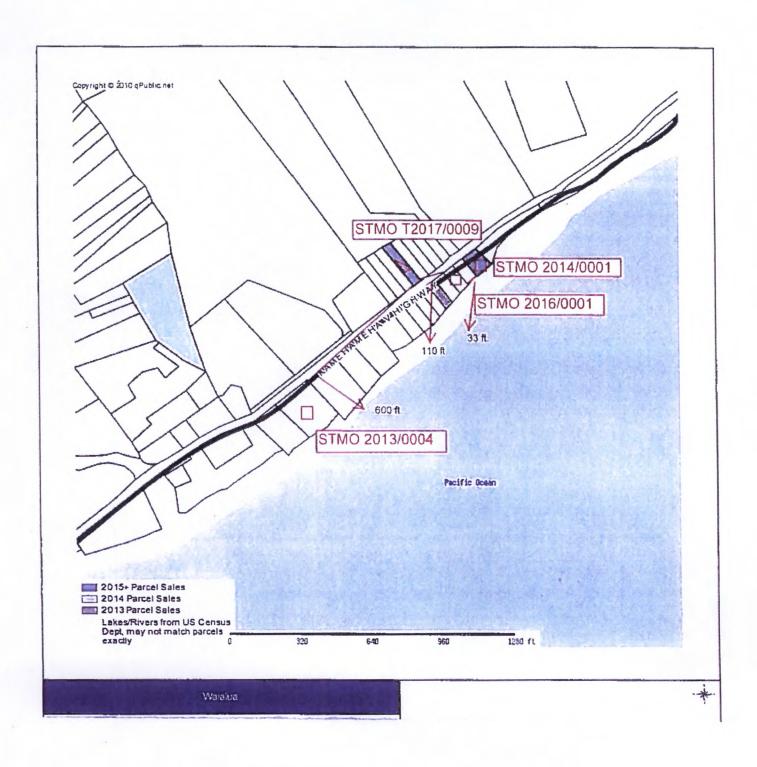
- 1. Pukoo Polynesia STMO T2016/0007
- 2. Hale Waialua STMO T2017/0009



LEGEND

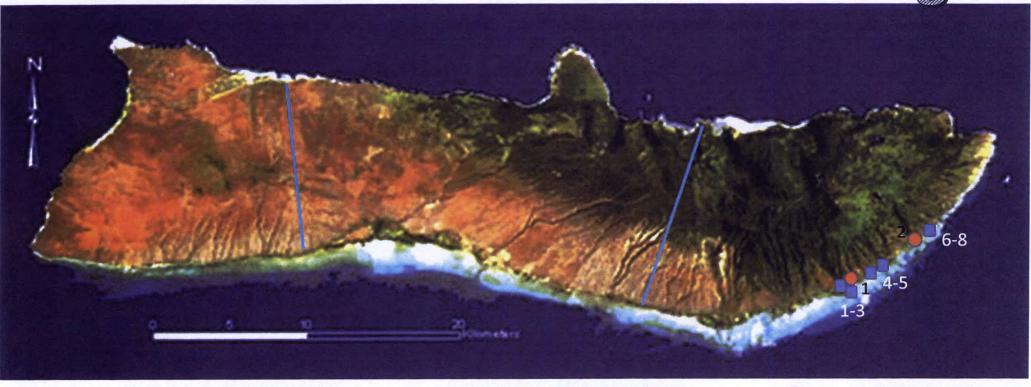


PERMITTED STRH PENDING STRH RENEWAL STRH



□ PERMITTED STRH
□ PENDING STRH
□ RENEWAL STRH

EAST: 8 Permitted and 2 Pending



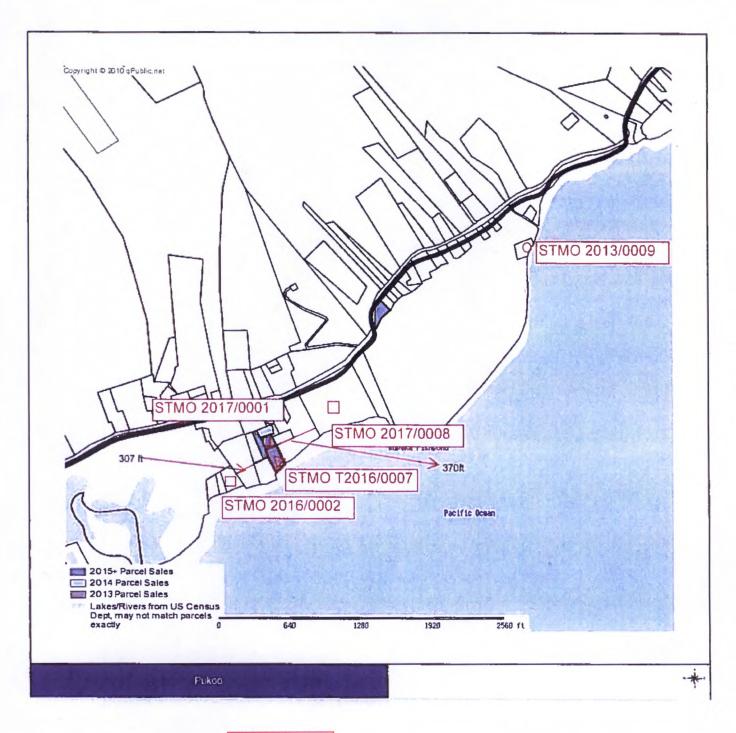
- 1. Pukoo Plantation STMO 2017/0001
- 2. Kainehe STMO 2016/0002
- 3. Villas at Pukoo STMO 2017/0008
- 4. Kupeke Beach House STMO 2013/0009
- 5. Hale Kainalu STMO 2015/0004

- 6. L&M Yuknis STMO 2013/0004
- 7. Aloha Ho'okipa STMO 2014/0001
- 8. Lanikai STMO 2016/0001



- 1. Pukoo Polynesia STMO T2016/0007
- 2. Hale Waialua STMO T2017/0009

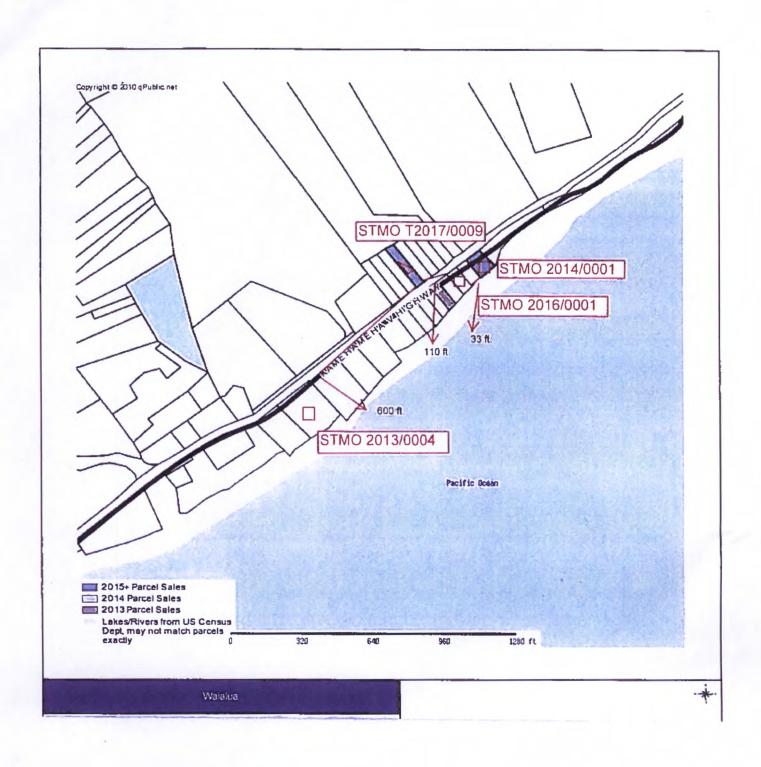
EXHIBIT: 2



LEGEND

0 0

PERMITTED STRH PENDING STRH RENEWAL STRH



LEGEND

□ PERMITTED STRH

△ PENDING STRH

○ RENEWAL STRH